

STATE BOARD OF EQUALIZATION
PROPOSED FY-2013 REVENUE CERTIFICATION

21-Feb-12

Shelly Paulk
Revenue Analyst
Office of State Finance

TABLE OF CONTENTS

		Page
Schedule 1	Appropriation Limitation	1
Schedule 2	Funds to be Certified	2
Schedule 3	ROADS Fund Apportionment Summary	3
Schedule 4	Oklahoma Education Lottery Trust Fund February Appropriations Analysis	4
Schedule 5	Itemized Estimates of Revenue	5
Schedule 6	Itemized Estimates of "Other" Revenue General Revenue Fund	6
Comparison of Revenue Estimates: Detail		
Schedule 7	FY-2012 Estimate (06-17-2011) to Proposed FY-2013 Estimate (02-21-2012)	7
Schedule 8	FY-2012 Projected (02-21-2012) to Proposed FY-2013 Estimate (02-21-2012)	8
Schedule 9	FY-2012 Estimate (06-17-2011) to FY-2012 Projected (02-21-2012)	9
Schedule 10	FY-2012 Projected (12-20-2011) to FY-2012 Projected (02-21-2012)	10
Schedule 11	FY-2013 Estimate (12-20-2011) to Proposed FY-2013 Estimate (02-21-2012)	11
Schedule 12	Education Reform Act - HB 1017	12
Appendix A-1	Comparison of Authorized Expenditures 2011 Session to Proposed Expenditure Authority 2012 Session	13
Appendix A-2	Comparison of Expenditure Authority 2012 Session (12-20-2011) to Proposed Expenditure Authority 2012 Session (02-21-2012)	15

APPROPRIATION LIMITATION

Schedule 1

Section 23, paragraph 1 of Article X, Constitution of Oklahoma, provides for a limitation on appropriations, except for appropriations from the Constitutional Reserve Fund. Pursuant to said limitation, appropriations for the fiscal year ending June 30, 2013, shall not exceed the amount appropriated for the current fiscal year, 2012, plus 12 percent (12%) adjusted for inflation as measured at the close of the calendar year. The amount appropriated from each fund by the First Regular Session of the Fifty-third Legislature and acted upon by the Governor was \$5,457,789,900. The limit on appropriations for the Second Regular Session of the Fifty-third Legislature is \$5,925,675,313 for the fiscal year ending June 30, 2013.

<i>Column 1</i>	<i>Column 2</i>
FUND NAME	AMOUNT
FY-2012 General Revenue Fund	4,968,375,954
FY-2011 General Revenue Fund	7,767,495
FY-2010 General Revenue Fund	41,873,389
FY-2012 Mineral Leasing Fund	2,850,000
FY-2010 Mineral Leasing Fund	0
FY-2012 Land Office Fund	7,109,000
FY-2011 Land Office Fund	0
FY-2010 Land Office Fund	0
FY-2012 Public Building Fund	1,384,416
FY-2010 Public Building Fund	1,039,907
Special Cash	357,298,121
FY-2012 OHSA Fund	1,471,075
FY-2010 OHSA Fund	1,236,425
FY-2012 CLEET Fund	3,226,565
FY-2011 CLEET Fund	0
Gen'l Obligation Bonds Series A	174
Gen'l Obligation Bonds Series B	71
Education Lottery Trust Fund	64,157,308
TOTAL	<u>\$5,457,789,900</u>

The appropriation growth limitation is calculated by multiplying the preceding years' total appropriation by the sum of 100% plus 12% adjusted for inflation [(100% plus 12%) times 0.9694%(adjustment for inflation)]=108.57%

Total Appropriation FY-2012	\$5,457,789,900
Factor	<u>108.57%</u>
Limit on Appropriation FY-2013	<u>\$5,925,675,313</u>

FUNDS TO BE CERTIFIED

Schedule 2

The summation of the itemized estimates of revenue, Schedule 5, and the amounts available for appropriation are proposed as the amounts to be certified by the State Board of Equalization in accordance with Section 23, Article X, Constitution of Oklahoma. The amounts proposed as available for appropriation are calculated as 95 percent (95%) of the summation of the itemized estimate of revenue for the respective funds, except for appropriated federal funds which shall be certified for the full amount of the estimate.

Column 1	Column 2	Column 3
	TOTAL ESTIMATED COLLECTIONS	APPROPRIATIONS AUTHORITY
	Proposed FY-2013 Estimates	
GENERAL REVENUE	\$5,571,066,484	\$5,292,513,159
C.L.E.E.T.	\$3,482,543	\$3,308,416
COMMISSIONERS OF THE LAND OFFICE	\$16,905,916	\$16,060,620
MINERAL LEASING	\$4,000,000	\$3,800,000
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$2,612,452	\$2,481,829
PUBLIC BUILDING	\$1,757,280	\$1,669,416
OK EDUCATION LOTTERY TRUST FUND	\$60,522,350	\$57,496,233
TOTALS	\$5,660,347,025	\$5,377,329,673

LEGISLATED REVENUE ADJUSTMENTS
INFORMATIONAL ROADS FUND APPORTIONMENT SUMMARY
Schedule 3

Column 1

Column 2

Column 3

Column 4

Legislated Adjustments for FY-2010 and FY-2011:

House Bill 2272, passed in the 2008 Legislative Session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2009 for FY-2010, the Transportation Department will receive the total amount apportioned to the ROADS fund for the preceding fiscal year plus an additional \$30 million each year until a cap of \$370 million is reached.

Legislated Apportionment Comparison:

	FY-2009 ESTIMATE 19-Feb-08	FY-2010 ESTIMATE 22-Dec-08	FY-2011 ESTIMATE 22-Dec-09
Apportionment to ROADS Fund	\$137,500,000	\$155,000,000	\$185,000,000
Additional ROADS Fund	17,500,000	30,000,000	30,000,000
OK Tourism & Passenger Rail Rev. Fund	2,000,000	2,000,000	2,000,000
Public Transit Rev. Fund	3,000,000	3,000,000	3,000,000
Total Apportionment from Individual Income Tax	\$160,000,000	\$190,000,000	\$220,000,000

Legislated Adjustments for FY-2012 and FY-2013:

Senate Bill 1466, passed in the 2010 Legislative Session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2011 for FY-2012 and for each fiscal year thereafter, the Transportation Department will receive the total amount apportioned to the ROADS fund for the preceding fiscal year plus an additional \$35.7 million each year until a cap of \$400 million is reached. Senate Bill 976, passed in the 2011 Legislative Session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective August 26, 2011 for FY-2013 and for each fiscal year thereafter, the Transportation Department will receive the total amount apportioned to the ROADS FUND for the preceding fiscal year plus an additional \$41.7 million each year until a cap of \$435 million is reached.

	FY-2012 ESTIMATE 21-Dec-10	PROPOSED FY-2013 ESTIMATE 20-Dec-11
Apportionment to ROADS Fund	\$215,000,000	\$250,700,000
Additional ROADS Fund	35,700,000	41,700,000
OK Tourism & Passenger Rail Rev. Fund	2,000,000	2,000,000
Public Transit Rev. Fund	3,000,000	3,000,000
Total Apportionment from Individual Income Tax	\$255,700,000	\$297,400,000

Pursuant to Title 69, Section 1521 of the Oklahoma Statutes, a finding must be made to determine whether "expenditures from the ROADS Fund were used to enhance or supplant State funding for the Department of Transportation (ODOT)." Effective July 1, 2006, the State Transportation Fund, ODOT's primary source of state funding, became a revolving fund. As shown above, the ROADS Fund provided an additional \$35.7 million for FY-2012 and, therefore, enhanced transportation funding.

**OKLAHOMA EDUCATION LOTTERY TRUST FUND
FEBRUARY APPROPRIATIONS ANALYSIS
Schedule 4**

Article X, Section 41 of the Oklahoma Constitution and Title 3A, Section 713 of the Oklahoma Statutes require the State Board of Equalization to determine if appropriations from the Oklahoma Education Lottery Trust Fund were used to enhance or supplant education funding.

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>	<i>Column 5</i>
	FY-2011 APPROPRIATION	FY-2012 APPROPRIATION	INCREASE OR (DECREASE)	PERCENT CHANGE
Education Funding	3,382,908,595	3,306,205,974	(\$76,702,621)	-2.3%
Education Lottery Trust Fund	<u>61,552,734</u>	<u>64,157,308</u>	<u>2,604,574</u>	<u>4.2%</u>
Total Education Funding*	\$3,444,461,329	3,370,363,282	(\$74,098,047)	-2.2%

	FY-2011 AUTHORIZED APPROPRIATIONS	FY-2012 AUTHORIZED APPROPRIATIONS		
Total Appropriations	6,720,837,226	6,502,883,889	(\$217,953,337)	-3.2%
 Education Lottery Trust Fund	61,552,734	64,157,308	\$2,604,574	4.2%

*To determine if the Oklahoma Education Lottery Trust Fund supplanted education funding, actual FY-2011 appropriations are compared to FY-2012 appropriations. Education funding in FY-2011 was affected negatively by the economic downturn. However, this negative impact was mitigated by the inclusion of Federal Stimulus funding and Rainy Day funds. Although overall appropriations for FY-2012 decreased by 3.2%, education funding (from sources other than the Education Lottery Trust Fund) only decreased by 2.3%. Additionally, authorized lottery funds were fully appropriated. Therefore, the Oklahoma Education Lottery Trust Fund did not supplant funding for education.

ITEMIZED ESTIMATES OF REVENUE
Schedule 5

The itemized estimate of revenues displayed in this schedule represents 100% of the estimate for the General Revenue Fund and the Special Revenue Funds to be appropriated by the Legislature for the fiscal year ending June 30, 2013 (FY-2013) and are the basis for the summation proposed for certification in Schedule 2. For informational purposes the FY-2013 estimates of revenues are compared to both the itemized estimates and the projections of revenues for the current fiscal year (FY-2012).

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
	FY-2011	FY-2012	FY-2012	FY-2013	FY-2012	PROPOSED
FUND NAME	ACTUAL	ESTIMATE	PROJECTED	ESTIMATE	PROJECTED	FY-2013
		17-Jun-11	20-Dec-11	20-Dec-11	21-Feb-12	ESTIMATE
						21-Feb-12
GENERAL REVENUE						
Alcohol Beverage Tax	\$21,882,525	\$23,057,000	\$22,244,000	\$22,789,000	\$22,244,000	\$22,789,000
Mixed Beverage Receipts Tax	35,615,638	36,540,000	38,105,000	39,919,000	38,105,000	39,919,000
Beverage Tax	25,010,953	26,318,000	25,960,000	26,612,000	25,960,000	26,612,000
Cigarette Tax	67,282,028	56,491,510	45,731,124	48,106,942	45,762,543	48,140,993
Tobacco Products Tax	18,531,962	17,518,215	21,779,070	23,529,159	21,783,502	23,533,947
Franchise Tax/Business Activity Tax	29,144,157	45,073,000	49,720,000	49,720,000	49,720,000	49,720,000
Gross Production Tax-Gas	275,913,167	333,110,000	308,339,000	267,304,000	273,105,000	188,420,000
Gross Production Tax-Oil	212,545,738	185,643,000	234,753,000	195,075,000	250,978,000	188,623,000
Income Tax-Individual	1,775,100,943	1,829,463,079 *	1,912,165,239 *	1,972,911,102 *	1,947,234,443 *	1,999,625,886 *
Income Tax-Corporate	274,328,355	202,812,075	263,017,950	270,291,325	325,480,625	320,884,875
Estate Tax	5,725,078	0	0	0	0	0
Insurance Premium Tax	81,652,995	66,441,362	75,554,580	75,554,580	75,554,580	75,554,580
Motor Vehicle Taxes	198,592,883	221,280,000	215,497,000	209,586,000	217,158,000	211,111,000
Sales Tax	1,668,336,492	1,747,397,999	1,796,073,232	1,877,035,303	1,809,920,720	1,910,897,353
Use Tax	150,136,643	158,859,000	173,075,208	187,025,537	173,075,208	187,025,537
Interest & Investments	80,484,928	96,000,000	80,000,000	83,000,000	80,000,000	83,000,000
Other (Schedule 6)	216,926,068	189,270,572	196,654,427	192,475,361	198,750,257	194,209,312
General Revenue Totals	\$5,137,210,551	\$5,235,274,811	\$5,458,668,832	\$5,540,934,309	\$5,554,831,878	\$5,570,066,484
Transfers & Lapses	598,781	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Revenue Comparison	\$5,137,809,332	\$5,236,274,811	\$5,459,668,832	\$5,541,934,309	\$5,555,831,878	\$5,571,066,484
One-Time Receipts	0	0	0	0	0	0
Total General Revenue	\$5,137,809,332	\$5,236,274,811	\$5,459,668,832	\$5,541,934,309	\$5,555,831,878	\$5,571,066,484
C.L.E.E.T.	\$3,435,654	\$3,396,384	\$3,368,528	\$3,368,528	\$3,458,268	\$3,482,543
COMM of LAND OFFICE	\$17,981,316	\$10,432,906	\$14,050,030	\$16,905,916	\$14,050,030	\$16,905,916
MINERAL LEASING	\$4,219,632	\$3,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$2,675,625	\$1,548,500	\$1,471,075	\$2,500,000	\$2,612,452	\$2,612,452
PUBLIC BUILDING	\$5,359,312	\$1,457,280	\$1,759,160	\$1,757,280	\$1,759,160	\$1,757,280
OK EDUCATION LOTTERY TRUST FUND	\$69,396,091	\$60,587,100	\$64,007,300	\$60,522,350	\$64,007,300	\$60,522,350
GRAND TOTAL	\$5,240,876,961	\$5,316,696,981	\$5,548,324,925	\$5,630,988,383	\$5,645,719,088	\$5,660,347,025

*The Individual Income Tax number reflects apportionments to the ROADS Fund, the Public Transportation Fund and the OK Tourism and Passenger Rail Revolving Fund, as well as funding for the Oklahoma's Promise Scholarship program. For more ROADS Fund detail, see Schedule 3, page 3.

*In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education has requested \$63m for funding of Oklahoma's Promise scholarship fund. Action taken by the Board in December reduced the amount of money allocated from state funds to \$57m which has been removed from the FY-2013 Individual Income Tax Estimate. Any additional scholarship funding required is to come from the OHLAP Trust Fund. \$63.2m was funded for FY-2012 and \$57m for FY-2011; both amounts have been removed from the respective individual income tax numbers.

ITEMIZED ESTIMATES OF "OTHER" REVENUE
GENERAL REVENUE FUND
Schedule 6

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
	FY-2011 ACTUAL	FY-2012 ESTIMATE 17-Jun-11	FY-2012 PROJECTED 20-Dec-11	FY-2013 ESTIMATE 20-Dec-11	FY-2012 PROJECTED 21-Feb-12	PROPOSED FY-2013 ESTIMATE 21-Feb-12
OTC:						
Pari-Mutuel	\$1,130,420	\$1,215,000	\$1,215,000	\$1,215,000	\$1,215,000	\$ 1,215,000
Tribal Cigarette Compacts	13,855,903	14,036,000	13,134,000	13,068,000	13,134,000	13,068,000
Bingo Excise & Charity Games	165,803	197,000	174,000	183,000	174,000	183,000
Workers Comp Ins. Premium Tax	8,806,054	7,026,000	8,280,000	8,317,000	8,280,000	8,317,000
Petroleum Excise Tax	10,844,996	9,131,000	9,632,000	9,982,000	10,045,000	10,339,000
Other OTC	29,230,023	21,448,000	21,226,000	21,535,000	21,226,000	21,535,000
TOTAL OTC	\$64,033,199	\$53,053,000	\$53,661,000	\$54,300,000	\$54,074,000	\$54,657,000
COLLECTIONS BY OTHER AGENCIES						
ABLE	\$5,442,073	\$5,232,138	\$5,457,115	\$5,490,676	\$5,457,115	\$5,490,676
Attorney General (Tobacco)	21,280	21,000	4,824,715	390,000	4,939,188	390,000
Central Services	434,139	1,051,209	855,645	505,295	755,645	405,295
CLEET	597,916	611,266	601,397	601,097	590,158	525,982
Consumer Credit	856,646	684,094	817,086	817,086	843,410	843,410
DPS	44,453,276	46,753,710	44,075,739	44,372,782	45,789,171	45,789,171
Employees Benefit Council	1,173,119	1,547,309	1,173,119	1,173,119	1,173,119	1,306,236
Horseracing	524,204	409,225	409,225	409,225	410,725	409,225
Insurance Comm	39,393,971	32,921,921	35,515,321	35,515,321	35,515,321	35,515,321
Labor	976,095	979,850	976,095	976,095	987,475	987,475
Medical Licensure	350,376	220,000	250,000	220,000	250,000	220,000
Nursing Board	303,157	301,818	301,818	304,846	301,818	304,846
Sec of State	2,714,634	2,267,000	2,636,409	2,684,000	2,304,512	2,390,000
Securities Comm	14,603,680	12,674,872	14,327,611	14,337,611	14,586,468	14,596,468
Treasurer (Unclaimed Property)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Tribal Gaming	16,690,211	15,688,000	16,128,000	15,828,000	16,128,000	15,828,000
OPM	4,677,644	4,654,160	4,403,695	4,350,208	4,403,695	4,350,208
OSF	204,336	200,000	240,438	200,000	240,438	200,000
Other	9,476,111	0	0	0	0	0
TOTAL MISC	152,892,868	136,217,572	142,993,427	138,175,361	144,676,257	139,552,312
GRAND OTHER	\$216,926,068	\$189,270,572	\$196,654,427	\$192,475,361	\$198,750,257	\$194,209,312

COMPARISON OF REVENUE ESTIMATES
FY-2012 ESTIMATE: LAW CHANGES vs. FY-2013 PROPOSED ESTIMATE
Schedule 7

Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2012 ESTIMATE 17-Jun-11	PROPOSED FY-2013 ESTIMATE 21-Feb-12	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$23,057,000	\$22,789,000	(\$268,000)	-1.2%
Mixed Beverage Receipts Tax	36,540,000	39,919,000	3,379,000	9.2%
Beverage Tax	26,318,000	26,612,000	294,000	1.1%
Cigarette Tax	56,491,510	48,140,993	(8,350,517)	-14.8%
Tobacco Products Tax	17,518,215	23,533,947	6,015,732	34.3%
Franchise Tax	45,073,000	49,720,000	4,647,000	10.3%
Gross Production Tax-Gas	333,110,000	188,420,000	(144,690,000)	-43.4%
Gross Production Tax-Oil	185,643,000	188,623,000	2,980,000	1.6%
Income Tax-Individual	1,829,463,079 *	1,999,625,886 *	170,162,807	9.3%
Income Tax-Corporate	202,812,075	320,884,875	118,072,800	58.2%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	66,441,362	75,554,580	9,113,218	13.7%
Motor Vehicle Taxes	221,280,000	211,111,000	(10,169,000)	-4.6%
Sales Tax	1,747,397,999	1,910,897,353	163,499,354	9.4%
Use Tax	158,859,000	187,025,537	28,166,537	17.7%
Interest & Investments	96,000,000	83,000,000	(13,000,000)	-13.5%
Other (Schedule 7)	189,270,572	194,209,312	4,938,740	2.6%
General Revenue Totals	\$5,235,274,811	\$5,570,066,484	\$334,791,672	6.4%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$5,236,274,811	\$5,571,066,484	\$334,791,672	6.4%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$5,236,274,811	\$5,571,066,484	\$334,791,672	6.4%
C.L.E.E.T.	\$3,396,384	\$3,482,543	\$86,159	2.5%
COMM of LAND OFFICE	\$10,432,906	\$16,905,916	\$6,473,010	62.0%
MINERAL LEASING	\$3,000,000	\$4,000,000	\$1,000,000	33.3%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,548,500	\$2,612,452	\$1,063,952	68.7%
PUBLIC BUILDING	\$1,457,280	\$1,757,280	\$300,000	20.6%
OK EDUCATION LOTTERY TRUST FUND	\$60,587,100	\$60,522,350	(\$64,750)	-0.1%
GRAND TOTAL	\$5,316,696,981	\$5,660,347,025	\$343,650,043	6.5%

*The Individual Income Tax number reflects apportionments to the ROADS Fund, the Public Transit Revolving Fund and the OK Tourism and Passenger Rail Revolving Fund, as well as funding for Oklahoma's Promise scholarship program. (For more ROADS Fund detail see Schedule 3, page 3.) In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education has requested \$63m for funding of Oklahoma's Promise scholarship fund. Action taken by the Board in December reduced the amount of money allocated from state funds to \$57m which has been removed from the FY-2013 Individual Income Tax Estimate. Any additional scholarship funding required is to come from the OHLAP Trust Fund. \$63.2m was funded for FY-2012 and has been removed from the individual income tax number.

COMPARISON OF REVENUE ESTIMATES
FY-2012 FINAL PROJECTION vs. FY-2013 PROPOSED ESTIMATE
Schedule 8

Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2012 PROJECTED 21-Feb-12	PROPOSED FY-2013 ESTIMATE 21-Feb-12	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$22,244,000	\$22,789,000	\$545,000	2.5%
Mixed Beverage Receipts Tax	38,105,000	39,919,000	1,814,000	4.8%
Beverage Tax	25,960,000	26,612,000	652,000	2.5%
Cigarette Tax	45,762,543	48,140,993	2,378,450	5.2%
Tobacco Products Tax	21,783,502	23,533,947	1,750,445	8.0%
Franchise Tax	49,720,000	49,720,000	0	0.0%
Gross Production Tax-Gas	273,105,000	188,420,000	(84,685,000)	-31.0%
Gross Production Tax-Oil	250,978,000	188,623,000	(62,355,000)	-24.8%
Income Tax-Individual	1,947,234,443 *	1,999,625,886 *	52,391,443	2.7%
Income Tax-Corporate	325,480,625	320,884,875	(4,595,750)	-1.4%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	75,554,580	75,554,580	0	0.0%
Motor Vehicle Taxes	217,158,000	211,111,000	(6,047,000)	-2.8%
Sales Tax	1,809,920,720	1,910,897,353	100,976,633	5.6%
Use Tax	173,075,208	187,025,537	13,950,329	8.1%
Interest & Investments	80,000,000	83,000,000	3,000,000	3.8%
Other (Schedule 7)	198,750,257	194,209,312	(4,540,945)	-2.3%
General Revenue Totals	\$5,554,831,878	\$5,570,066,484	\$15,234,605	0.3%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$5,555,831,878	\$5,571,066,484	\$15,234,605	0.3%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$5,555,831,878	\$5,571,066,484	\$15,234,605	0.3%
C.L.E.E.T.	\$3,458,268	\$3,482,543	\$24,275	0.7%
COMM of LAND OFFICE	\$14,050,030	\$16,905,916	\$2,855,886	20.3%
MINERAL LEASING	\$4,000,000	\$4,000,000	\$0	0.0%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$2,612,452	\$2,612,452	\$0	0.0%
PUBLIC BUILDING	\$1,759,160	\$1,757,280	(\$1,880)	-0.1%
OK EDUCATION LOTTERY TRUST FUND	\$64,007,300	\$60,522,350	(\$3,484,950)	-5.4%
GRAND TOTAL	\$5,645,719,088	\$5,660,347,025	\$14,627,937	0.3%

*The Individual Income Tax number reflects apportionments to the ROADS Fund, the Public Transit Revolving Fund and the OK Tourism and Passenger Rail Revolving Fund, as well as funding for Oklahoma's Promise scholarship program. (For more ROADS Fund detail, see Schedule 3, page 3.)

*In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education has requested \$63m for funding of Oklahoma's Promise scholarship fund. Action taken by the Board in December reduced the amount of money allocated from state funds to \$57m which has been removed from the FY-2013 Individual Income Tax Estimate. Any additional scholarship funding required is to come from the OHLAP Trust Fund. \$63.2m was funded for FY-2012 and has been removed from the individual income tax number.

COMPARISON OF REVENUE ESTIMATES
FY-2012 ESTIMATE: LAW CHANGES vs. FY-2012 FINAL PROJECTION
Schedule 9

Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2012 ESTIMATE 17-Jun-11	FY-2012 PROJECTED 21-Feb-12	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$23,057,000	\$22,244,000	(\$813,000)	-3.5%
Mixed Beverage Receipts Tax	36,540,000	38,105,000	1,565,000	4.3%
Beverage Tax	26,318,000	25,960,000	(358,000)	-1.4%
Cigarette Tax	56,491,510	45,762,543	(10,728,967)	-19.0%
Tobacco Products Tax	17,518,215	21,783,502	4,265,287	24.3%
Franchise Tax/Business Activity Tax	45,073,000	49,720,000	4,647,000	10.3%
Gross Production Tax-Gas	333,110,000	273,105,000	(60,005,000)	-18.0%
Gross Production Tax-Oil	185,643,000	250,978,000	65,335,000	35.2%
Income Tax-Individual	1,829,463,079 *	1,947,234,443 *	117,771,364	6.4%
Income Tax-Corporate	202,812,075	325,480,625	122,668,550	60.5%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	66,441,362	75,554,580	9,113,218	13.7%
Motor Vehicle Taxes	221,280,000	217,158,000	(4,122,000)	-1.9%
Sales Tax	1,747,397,999	1,809,920,720	62,522,721	3.6%
Use Tax	158,859,000	173,075,208	14,216,208	8.9%
Interest & Investments	96,000,000	80,000,000	(16,000,000)	-16.7%
Other (Schedule 7)	189,270,572	198,750,257	9,479,685	5.0%
General Revenue Totals	\$5,235,274,811	\$5,554,831,878	\$319,557,067	6.1%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$5,236,274,811	\$5,555,831,878	\$319,557,067	6.1%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$5,236,274,811	\$5,555,831,878	\$319,557,067	6.1%
C.L.E.E.T.	\$3,396,384	\$3,458,268	\$61,884	1.8%
COMM of LAND OFFICE	\$10,432,906	\$14,050,030	\$3,617,124	34.7%
MINERAL LEASING	\$3,000,000	\$4,000,000	\$1,000,000	33.3%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,548,500	\$2,612,452	\$1,063,952	68.7%
PUBLIC BUILDING	\$1,457,280	\$1,759,160	\$301,880	20.7%
OK EDUCATION LOTTERY TRUST FUND	\$60,587,100	\$64,007,300	\$3,420,200	5.6%
GRAND TOTAL	\$5,316,696,981	\$5,645,719,088	\$329,022,107	6.2%

*The Individual Income Tax number reflects apportionments to the ROADS Fund, the Public Transit Revolving Fund and the OK Tourism and Passenger Rail Revolving Fund, as well as funding for Oklahoma's Promise scholarship program. (For more ROADS Fund detail see Schedule 3, page 3.) In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education was funded \$63.2m for Oklahoma's Promise scholarships for FY-2012. This number has been removed from the FY-2012 Individual Tax estimates.

COMPARISON OF REVENUE ESTIMATES
FY-2012 INITIAL PROJECTION vs. FY-2012 FINAL PROJECTION
Schedule 10

Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2012 PROJECTED 20-Dec-11	FY-2012 PROJECTED 21-Feb-12	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$22,244,000	\$22,244,000	\$0	0.0%
Mixed Beverage Receipts Tax	38,105,000	38,105,000	0	0.0%
Beverage Tax	25,960,000	25,960,000	0	0.0%
Cigarette Tax	45,731,124	45,762,543	31,418	0.1%
Tobacco Products Tax	21,779,070	21,783,502	4,431	0.0%
Franchise Tax	49,720,000	49,720,000	0	0.0%
Gross Production Tax-Gas	308,339,000	273,105,000	(35,234,000)	-11.4%
Gross Production Tax-Oil	234,753,000	250,978,000	16,225,000	6.9%
Income Tax-Individual	1,912,165,239 *	1,947,234,443 *	35,069,204	1.8%
Income Tax-Corporate	263,017,950	325,480,625	62,462,675	23.7%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	75,554,580	75,554,580	0	0.0%
Motor Vehicle Taxes	215,497,000	217,158,000	1,661,000	0.8%
Sales Tax	1,796,073,232	1,809,920,720	13,847,488	0.8%
Use Tax	173,075,208	173,075,208	0	0.0%
Interest & Investments	80,000,000	80,000,000	0	0.0%
Other (Schedule 7)	196,654,427	198,750,257	2,095,830	1.1%
General Revenue Totals	\$5,458,668,832	\$5,554,831,878	\$96,163,046	1.8%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$5,459,668,832	\$5,555,831,878	\$96,163,046	1.8%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$5,459,668,832	\$5,555,831,878	\$96,163,046	1.8%
C.L.E.E.T.	\$3,368,528	\$3,458,268	\$89,740	2.7%
COMM of LAND OFFICE	\$14,050,030	\$14,050,030	\$0	0.0%
MINERAL LEASING	\$4,000,000	\$4,000,000	\$0	0.0%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,471,075	\$2,612,452	\$1,141,377	77.6%
PUBLIC BUILDING	\$1,759,160	\$1,759,160	\$0	0.0%
OK EDUCATION LOTTERY TRUST FUND	\$64,007,300	\$64,007,300	\$0	0.0%
GRAND TOTAL	\$5,548,324,925	\$5,645,719,088	\$97,394,163	1.8%

*The Individual Income Tax number reflects apportionments to the ROADS Fund, the Public Transit Revolving Fund and the OK Tourism and Passenger Rail Revolving Fund, as well as funding for Oklahoma's Promise scholarship program. (For more ROADS Fund detail see Schedule 3, page 3.) In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education was funded \$63.2m for Oklahoma's Promise scholarships for FY-2012. This number has been removed from the FY-2012 Individual Tax estimates.

COMPARISON OF REVENUE ESTIMATES
FY-2013 INITIAL ESTIMATE vs. FY-2013 FINAL ESTIMATE
Schedule 11

Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2013 ESTIMATE 20-Dec-11	PROPOSED FY-2013 ESTIMATE 21-Feb-12	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$22,789,000	\$22,789,000	\$0	0.0%
Mixed Beverage Receipts Tax	39,919,000	39,919,000	0	0.0%
Beverage Tax	26,612,000	26,612,000	0	0.0%
Cigarette Tax	48,106,942	48,140,993	34,051	0.1%
Tobacco Products Tax	23,529,159	23,533,947	4,788	0.0%
Franchise Tax	49,720,000	49,720,000	0	0.0%
Gross Production Tax-Gas	267,304,000	188,420,000	(78,884,000)	-29.5%
Gross Production Tax-Oil	195,075,000	188,623,000	(6,452,000)	-3.3%
Income Tax-Individual	1,972,911,102 *	1,999,625,886 *	26,714,784	1.4%
Income Tax-Corporate	270,291,325	320,884,875	50,593,550	18.7%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	75,554,580	75,554,580	0	0.0%
Motor Vehicle Taxes	209,586,000	211,111,000	1,525,000	0.7%
Sales Tax	1,877,035,303	1,910,897,353	33,862,050	1.8%
Use Tax	187,025,537	187,025,537	0	0.0%
Interest & Investments	83,000,000	83,000,000	0	0.0%
Other (Schedule 7)	192,475,361	194,209,312	1,733,952	0.9%
General Revenue Totals	\$5,540,934,309	\$5,570,066,484	\$29,132,175	0.5%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$5,541,934,309	\$5,571,066,484	\$29,132,175	0.5%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$5,541,934,309	\$5,571,066,484	\$29,132,175	0.5%
C.L.E.E.T.	\$3,368,528	\$3,482,543	\$114,015	3.4%
COMM of LAND OFFICE	\$16,905,916	\$16,905,916	\$0	0.0%
MINERAL LEASING	\$4,000,000	\$4,000,000	\$0	0.0%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$2,500,000	\$2,612,452	\$112,452	4.5%
PUBLIC BUILDING	\$1,757,280	\$1,757,280	\$0	0.0%
OK EDUCATION LOTTERY TRUST FUND	\$60,522,350	\$60,522,350	\$0	0.0%
GRAND TOTAL	\$5,630,988,383	\$5,660,347,025	\$29,358,642	0.5%

*The Individual Income Tax number reflects apportionments to the ROADS Fund, the Public Transit Revolving Fund and the OK Tourism and Passenger Rail Revolving Fund, as well as funding for Oklahoma's Promise scholarship program. (For more ROADS Fund detail see Schedule 3, page 3.) In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education has requested \$63m for funding of Oklahoma's Promise scholarships for the upcoming fiscal year. Action taken by the Board in December reduced the amount of money allocated from state funds to \$57m which has been removed from the FY-2013 Individual Income Tax Estimate.

EDUCATION REFORM ACT - HB 1017

Schedule 12

SB 826 of the Second Regular Session of the Forty-fifth Legislature amended Section 41.29a of Title 62 to require that the Office of Accountability account for and report monthly revenues which accrue to the Education Reform Revolving Fund. The Education Reform Revolving Fund on June 1, 1996 began receiving revenue attributable to the revenue provisions of HB 1017 rather than these revenues first being apportioned to the General Revenue Fund.

CALCULATIONS

EDUCATION REFORM ACT

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
SOURCE	FY-2012 ESTIMATE 17-Jun-11	FY-2012 PROJECTED 20-Dec-11	FY-2013 ESTIMATE 20-Dec-11	FY-2012 PROJECTED 21-Feb-12	PROPOSED FY-2013 ESTIMATE 21-Feb-12
Income Tax-Individual	\$209,168,201	\$217,220,221	\$226,590,878	\$220,634,617	229,191,874
Income Tax-Corporate	43,179,345	55,997,370	57,545,895	69,295,875	68,317,425
Sales Tax	218,607,620	224,697,118	234,825,849	226,429,503	239,062,149
Use Tax	19,874,000	21,652,514	23,397,765	21,652,514	23,397,765
Cigarette Tax	2,907,626	3,251,784	3,524,279	3,251,784	3,524,279
Tobacco Products Tax	364,548	458,629	495,517	458,629	495,517
Tribal Gaming	115,312,000	118,272,000	116,072,000	118,272,000	116,072,000
Special License Plates	0	0	0	0	0
Business Activity Tax	0	502,750	502,750	502,750	502,750
TOTAL - 100% OF ESTIMATE	\$609,413,339	\$642,052,385	\$662,954,932	\$660,497,671	\$680,563,758
Increase in FY-2013 proposed estimate from FY-2012 estimate					\$71,150,419

**COMPARISON OF AUTHORIZED EXPENDITURES 2011 SESSION TO
PROPOSED EXPENDITURE AUTHORITY 2012 SESSION**

Appendix A-1

Column 1	Column 2	Column 3	Column 4	Column 5
	AUTHORIZED EXPENDITURES* 2011 SESSION 17-Jun-11 FY-2012	PROPOSED EXPENDITURE AUTHORITY** 2012 SESSION 21-Feb-12 FY-2013	INCREASE OR (DECREASE)	PERCENT CHANGE
NON-RESTRICTED FUNDS				
GENERAL REVENUE FUND				
Certified	\$4,968,375,954	\$5,292,513,159	\$324,137,205	6.5%
Prior Year Certified	\$7,767,495	6,085,117	(1,682,378)	-21.7%
Cash	<u>\$41,873,389</u>	<u>94,981,649</u>	<u>53,108,260</u>	<u>126.8%</u>
TOTAL	\$5,018,016,838	\$5,393,579,925	\$375,563,087	7.5%
C.L.E.E.T. FUND				
Certified	\$3,226,565	\$3,308,416	\$81,851	2.5%
Cash	<u>0</u>	<u>308,914</u>	<u>308,914</u>	<u>0.0%</u>
TOTAL	\$3,226,565	\$3,617,330	\$390,765	12.1%
MINERAL LEASING FUND				
Certified	\$2,850,000	\$3,800,000	\$950,000	33.3%
Cash	<u>0</u>	<u>576,503</u>	<u>576,503</u>	<u>0.0%</u>
TOTAL	\$2,850,000	\$4,376,503	\$1,526,503	53.6%
OHSF FUND				
Certified	\$1,471,075	\$2,481,829	\$1,010,754	68.7%
Cash	<u>1,236,425</u>	<u>1,141,381</u>	<u>(95,044)</u>	<u>-7.7%</u>
TOTAL	\$2,707,500	\$3,623,210	\$915,710	33.8%
PUBLIC BUILDING FUND				
Certified	\$1,384,416	\$1,669,416	\$285,000	20.6%
Cash	<u>1,039,907</u>	<u>3,846,690</u>	<u>2,806,783</u>	<u>269.9%</u>
TOTAL	\$2,424,323	\$5,516,106	\$3,091,783	127.5%
SPECIAL CASH FUND				
Cash	<u>\$357,298,121</u>	<u>\$0</u>	<u>(\$357,298,121)</u>	<u>-100.0%</u>
TOTAL	\$357,298,121	\$0	(\$357,298,121)	-100.0%
BOND FUND - SERIES A	\$174	\$179	\$5	2.9%
BOND FUND - SERIES B	<u>71</u>	<u>73</u>	<u>2</u>	<u>2.8%</u>
TOTAL	\$245	\$252	\$7	2.9%
SUBTOTAL NON-RESTRICTED FUNDS	<u>\$5,386,523,592</u>	<u>\$5,410,713,326</u>	<u>\$24,189,734</u>	<u>0.4%</u>

**COMPARISON OF AUTHORIZED EXPENDITURES 2011 SESSION TO
PROPOSED EXPENDITURE AUTHORITY 2012 SESSION
Appendix A-1 (Continued)**

Column 1	Column 2	Column 3	Column 4	Column 5
	AUTHORIZED EXPENDITURES* 2011 SESSION 17-Jun-11 FY-2012	PROPOSED EXPENDITURE AUTHORITY** 2012 SESSION 21-Feb-12 FY-2013	INCREASE OR (DECREASE)	PERCENT CHANGE
RESTRICTED FUNDS				
COMMISSION OF THE LAND OFFICE FUND				
Certified	\$7,109,000	\$16,060,620	\$8,951,620	125.9%
Prior Year Certified	0	2,802,261	2,802,261	0.0%
Cash	0	0	0	0.0%
TOTAL	\$7,109,000	\$18,862,881	\$11,753,881	165.3%
OK EDUCATION LOTTERY TRUST FUND				
Certified	\$57,557,744	\$57,496,233	(\$61,511)	-0.1%
Cash	<u>6,599,564</u>	<u>7,843,356</u>	<u>1,243,792</u>	<u>18.8%</u>
TOTAL	\$64,157,308	\$65,339,589	\$1,182,281	1.8%
SUBTOTAL RESTRICTED FUNDS	<u>\$71,266,308</u>	<u>\$84,202,470</u>	<u>\$12,936,162</u>	<u>18.2%</u>
TOTAL-RESTRICTED & NON-RESTRICTED	<u>\$5,457,789,900</u>	<u>\$5,494,915,797</u>	<u>\$37,125,897</u>	<u>0.7%</u>
COMMON ED. TECH FUND				
Revolving Fund Estimate	\$47,372,299	\$47,372,299	(\$0)	0.0%
OK. STUDENT AID FUND				
Revolving Fund Estimate	\$47,372,299	\$47,372,299	(\$0)	0.0%
HIGHER ED. CAPITAL FUND				
Revolving Fund Estimate	\$47,372,299	\$47,372,299	(\$0)	0.0%
1017 FUND				
Revolving Fund Estimate	\$634,894,569	\$680,563,758	\$45,669,189	7.2%
TOBACCO SETTLEMENT FUND				
Revolving Fund Estimate	\$18,150,000	\$4,750,000	(\$13,400,000)	-73.8%
STATE JUDICIAL REVOLVING FUND				
Revolving Fund Estimate	\$52,000,000	\$51,000,000	(\$1,000,000)	-1.9%
STATE TRANSPORTATION FUND***				
Revolving Fund Estimate	\$106,737,039	\$206,405,702	\$99,668,663	93.4%
TOTAL	<u>\$6,411,688,405</u>	<u>\$6,579,752,153</u>	<u>\$168,063,748</u>	<u>2.6%</u>

*Authorized Expenditures represent the total amount actually spent by the Legislature.

**Expenditure Authority represents the total amount that is available for the Legislature to spend.

***Note: The State Transportation Fund became a revolving fund effective July 1, 2006.

**COMPARISON OF EXPENDITURE AUTHORITY 2012 SESSION (20-Dec-2011) TO
PROPOSED EXPENDITURE AUTHORITY 2012 SESSION**

Appendix A-2

Column 1

Column 2

Column 3

Column 4

Column 5

	EXPENDITURE AUTHORITY* 2012 SESSION 20-Dec-11 FY-2013	PROPOSED EXPENDITURE AUTHORITY* 2012 SESSION 21-Feb-12 FY-2013	INCREASE OR (DECREASE)	PERCENT CHANGE
NON-RESTRICTED FUNDS				
GENERAL REVENUE FUND				
Certified	\$5,264,837,594	\$5,292,513,159	\$27,675,565	0.5%
Prior Year Certified	6,085,117	6,085,117	0	0.0%
Cash	<u>94,981,649</u>	<u>94,981,649</u>	<u>0</u>	<u>0.0%</u>
TOTAL	\$5,365,904,360	\$5,393,579,925	\$27,675,565	0.5%
C.L.E.E.T. FUND				
Certified	\$3,200,102	\$3,308,416	\$108,314	3.4%
Cash	<u>308,914</u>	<u>308,914</u>	<u>0</u>	<u>0.0%</u>
TOTAL	\$3,509,016	\$3,617,330	\$108,314	3.1%
MINERAL LEASING FUND				
Certified	\$3,800,000	\$3,800,000	\$0	0.0%
Cash	<u>576,503</u>	<u>576,503</u>	<u>0</u>	<u>0.0%</u>
TOTAL	\$4,376,503	\$4,376,503	\$0	0.0%
OHSF FUND				
Certified	\$2,375,000	\$2,481,829	\$106,829	4.5%
Cash	<u>1,141,381</u>	<u>1,141,381</u>	<u>0</u>	<u>0.0%</u>
TOTAL	\$3,516,381	\$3,623,210	\$106,829	3.0%
PUBLIC BUILDING FUND				
Certified	\$1,669,416	\$1,669,416	\$0	0.0%
Cash	<u>3,846,690</u>	<u>3,846,690</u>	<u>0</u>	<u>0.0%</u>
TOTAL	\$5,516,106	\$5,516,106	\$0	0.0%
SPECIAL CASH FUND				
Cash	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0%</u>
TOTAL	\$0	\$0	\$0	0.0%
BOND FUND - SERIES A	\$5	\$179	\$174	3348.9%
BOND FUND - SERIES B	<u>2</u>	<u>73</u>	<u>71</u>	<u>2855.5%</u>
TOTAL	\$8	\$252	\$244	3189.8%
SUBTOTAL NON-RESTRICTED FUNDS	<u>\$5,382,822,374</u>	<u>\$5,410,713,326</u>	<u>\$27,890,952</u>	<u>0.5%</u>

**COMPARISON OF EXPENDITURE AUTHORITY 2012 SESSION (20-Dec-2011) TO
PROPOSED EXPENDITURE AUTHORITY 2012 SESSION
Appendix A-2 (Continued)**

Column 1	Column 2	Column 3	Column 4	Column 5
	EXPENDITURE AUTHORITY* 2012 SESSION 20-Dec-11 FY-2013	PROPOSED EXPENDITURE AUTHORITY* 2012 SESSION 21-Feb-12 FY-2013	INCREASE OR (DECREASE)	PERCENT CHANGE
RESTRICTED FUNDS				
COMMISSION OF THE LAND OFFICE FUND				
Certified	\$16,060,620	\$16,060,620	\$0	0.0%
Prior Year Certified	2,802,261	2,802,261	0	0.0%
Cash	0	0	0	0.0%
TOTAL	\$18,862,881	\$18,862,881	\$0	0.0%
OK EDUCATION LOTTERY TRUST FUND				
Certified	\$57,496,233	\$57,496,233	0	0.0%
Cash	7,843,356	7,843,356	0	0.0%
TOTAL	\$65,339,589	\$65,339,589	0	0.0%
SUBTOTAL RESTRICTED FUNDS	\$84,202,470	\$84,202,470	\$0	0.0%
TOTAL-RESTRICTED & NON-RESTRICTED	\$5,467,024,845	\$5,494,915,797	\$27,890,952	0.5%
COMMON ED. TECH FUND				
Revolving Fund Estimate	\$47,372,299	\$47,372,299	\$0	0.0%
OK. STUDENT AID FUND				
Revolving Fund Estimate	\$47,372,299	\$47,372,299	\$0	0.0%
HIGHER ED. CAPITAL FUND				
Revolving Fund Estimate	\$47,372,299	\$47,372,299	\$0	0.0%
1017 FUND				
Revolving Fund Estimate	\$662,954,932	\$680,563,758	\$17,608,826	2.7%
TOBACCO SETTLEMENT FUND				
Revolving Fund Estimate	\$5,000,000	\$4,750,000	(\$250,000)	-5.0%
STATE JUDICIAL REVOLVING FUND				
Revolving Fund Estimate	\$49,000,000	\$51,000,000	\$2,000,000	4.1%
STATE TRANSPORTATION FUND**				
Revolving Fund Estimate	\$206,405,702	\$206,405,702	\$0	0.0%
TOTAL	\$6,532,502,375	\$6,579,752,153	\$47,249,778	0.7%

*Expenditure Authority represents the total amount that is available for the Legislature to spend.

**Note: The State Transportation Fund became a revolving fund effective July 1, 2006.